



Witness to the House of Commons Standing Committee on Natural Resources.

Studying the economic opportunities for energy efficiency in Canada, and its contributions to The Canadian Paris Climate Change Commitments

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Good afternoon Mr. Chair and Committee Members and thank you for inviting us to speak before you today on a topic that we share a great passion for. My name is Karim Abraham and I am the CEO of The Kambo Energy Group. Here with me is Yasmin Abraham, my sister and our Senior Vice President of Business Development.

Before we begin our testimony, we would like to acknowledge the Algonquin Nation whose traditional and unceded territory we are gathered upon today.

Today we will discuss our experience and learnings when designing and implementing energy efficiency programs in indigenous communities and underserved populations. We will provide two recommendations to maximize the efficacy and equity of programs across Canadian demographics.

The Kambo Energy Group is a family-owned Social Enterprise that delivers turn-key energy efficiency solutions to businesses and underserved communities. Our customer groups include commercial and industrial building owners, indigenous populations, newcomers to Canada, seniors, and those who live in energy poverty.

We are part of the front-lines for reducing energy consumption in Canada. We are not policy specialists, lobbyists, or economists. We are building-scientists, marketers, engineers, software developers, construction specialists, and project managers who are innovating the implementation of energy efficiency projects every single day.

We have grown from four employees in 2012 to over 60 people across BC and Alberta. In the 30 plus years our family has been working in energy efficiency, we've experienced the ups and downs of the industry. Today, approximately half of our business comes from the private sector and utilities, and the other half comes from funding at all levels of government, including some First Nation governments.

Having worked with both public and private sector stakeholders, we're in a unique position to bridge the learnings between the innovations required to stay relevant in the commercial market, and the patience required for public funding that can seem to come and go without warning or communication of rationale. A reality that has been detrimental to Canadian energy efficiency businesses and their ability to invest and plan for the future.



We'd like to share with you our experience with public funding of energy efficiency, and highlight Empower Me, our landmark equity-based program that combats energy poverty in Western Canada.

Over the years we have honed our programs and services to focus on two core principles, which also serve as our recommendations to the Committee.

1. Programs should be Implementation and Performance Focused
2. Programs should be Inclusive for all Canadians

Implementation and Performance Focused:

If the goal of energy efficiency programs is to reduce energy consumption, the reduced energy consumption should be the verified deliverable.

Far too often, we see funding that has stringent eligibility criteria, limited to activities, with no requirement to report actual savings. In addition, funding programs rarely fund both assessments and the implementation of measures required to achieve savings. Assessments on their own don't reduce energy use.

This fragmented approach which separates the processes between energy assessors, engineers, and contractors leads to poor results with little accountability for the savings. We need a cohesive approach focused on accountability.

The success for our clients, and the savings they achieve, are a direct result of the innovation that has been created precisely in-between the existing siloed funding steps. Our technology spans the traditionally fragmented value chain to move seamlessly from diagnosing energy saving opportunities, to scoping solutions, providing installation quotes, building business cases, managing the implementation, and verifying the resulting energy savings.

By focusing on the goal of delivering meaningful savings for the client from the onset, innovation and accountability maximizes efficacy and drives down costs. In B.C. First Nations communities, we have seen this approach achieve energy savings of between 30% to 40% on upgraded homes and 10% community wide reductions year-over-year with simple paybacks of four to seven years. Sadly, there is no specific funding stream from any federal organization for us to be able to repeat this proven approach with other communities.

Our second principle is to ensure programs are inclusive to all Canadians.

In the next 18 years, Statistics Canada is projecting 25% - 31% of Canada's total population will be immigrants.



In 2016, 1.7 million Canadians identified themselves as Indigenous.

Canadian seniors now outnumber children for the first time and by 2031, about 23 percent of our population will be seniors.

And today, 2.8 million Canadian families struggle with energy poverty - which I will address in detail later.

These are not small numbers.

Members of each group have specific needs in how and where they access energy efficiency information and programs.

Empower Me is Canada's only energy conservation and behavior change program designed specifically for and delivered by members of underserved communities in nine different languages. The program focuses on four often overlooked groups: newcomers to Canada, Indigenous people, seniors, and families struggling with energy poverty.

Our experience shows us that members of these communities fail to access the readily available energy efficiency education and programs available to all Canadians. To ensure these Canadians are not left behind, energy efficiency programs need to be designed to address the language, trust, and accessibility barriers these communities face.

Our teams have worked with newcomer families living in uncomfortably warm homes, with astonishingly high bills, believing they were not allowed to touch 'the dial on the wall'. Many families we work with do not trust authority figures like utilities or governments to help in lowering their bill. Others in this group are often the target of scams and are wary of offers promising 'savings' and other free services.

Empower Me breaks through these barriers by finding and hiring key connectors in the community (known as Mentors) who deliver information back to their own networks in a trusted and accessible way. Because Mentors are well known in their communities, they are invited into sacred community spaces where traditional government and utility messaging just doesn't reach.

Six years since inception, this approach has led to hiring and training 55 individual Mentors across BC and Alberta from underrepresented and underemployed groups, many of whom have gone on to other meaningful work in the industry. Our Mentors have worked with over 320,000 community members, and reduced emissions by over 13,000 tonnes of greenhouse gases.



To ensure continuity for the communities, Empower Me made a strategic decision to launch as a stand-alone program and seek support from a coalition of funders: local and provincial governments, utilities, and private businesses. At present Empower Me does not receive any federal funding.

I'd now like to spend some time speaking about energy poverty, its link to Empower Me and the impact on Canadians.

Households are considered to be energy poor when a disproportionate amount of their income is spent on energy bills. Today, 21% of households (more than 2.8 million Canadian families) struggle to pay their bills. This means falling behind on bill payments, utility cut-offs, and tough decisions about whether to keep their families warm or purchase other basic needs.

Energy poverty is distinct from poverty. More than two-thirds of families struggling to pay their utility bills would not be considered low income by Statistics Canada's LICO measure.

One of the easiest ways to reduce energy poverty is to improve the energy efficiency of homes. Higher consumption in energy-poor households is driven by inefficient buildings, older appliances, and individual energy use behavior. Residential rebate programs are typically not an option for struggling families as they require a significant portion of the upgrade costs to be funded up-front. Without providing effective and fully subsidized home upgrades for these families, the cycle of energy poverty and its effects will continue.

In the early 1990s when governments began funding solutions to energy poverty, the Empower Me leadership team helped develop one of the first programs in the UK. Since that time, in Canada, all provinces and territories except for Saskatchewan have implemented energy poverty programs. However, there is currently no federal approach to addressing this issue.

In 2018 Energy Efficiency Alberta (EEA) supported Empower Me to design, deliver, and build the province's first program to support the 300,000 Albertan families struggling to pay their utility bills.

The goal was to maximize the energy savings in energy poor households and build one of most economical, inclusive, and effective solutions to addressing energy poverty. A great example of innovation required across the value-chain to maximize impact.

Our family is proud to have built a business developing innovative solutions that make a real difference to our most vulnerable populations.

I hope that our testimony today has illustrated the need for energy efficiency funding to be inclusive for all Canadians and to focus on implementation and performance, while providing businesses the space to innovate solutions that align with overarching goals.

